



State of Washington  
Department of Social and Health Services  
**Recommendation Summary**

Budget Period: 2005-07

Version: N2 - 145 2006 Sup Agency Request

Dollars in Thousands	Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
CB - Current Biennium		0.0	92,761	45,103	137,864
M2 - Inflation and Other Rate Changes					
8B Technical Corrections	0	0.0	949	425	1,374
KQ Transfer AG Funding from 030 to 145	0	0.0	3,507	0	3,507
NB Washington State Patrol Shortfall	0	0.0	119	54	173
NC Office of Admin Hearings Shortfall	0	0.0	558	418	976
NG Dependency Litigation Workload	0	0.0	233	82	315
NH Sexually Violent Predator Csl'd Incr	0	0.0	992	0	992
NI OAH Caseload Increase	0	0.0	108	79	187
VA Fund Source Adjustments	0	0.0	330	(330)	0
SubTotal M2		0.0	6,796	728	7,524
Cumulative Total Thru M2		0.0	99,557	45,831	145,388
Total Proposed Budget		0.0	99,557	45,831	145,388

**Recommendation Summary Text**

**8B - Technical Corrections**

**Program: 145**

(M2) This is a request for technical corrections, to the 2005-07 Biennium Budget, in multiple Department of Social and Health Services (DSHS) Programs.

**KQ - Transfer AG Funding from 030 to 145**

**Program: 145**

(M2) This is a request to move all 030 Special Commitment Center (SCC) Sexually Violent Predator (SVP) Attorney General (AG) appropriations for prosecution services to Program 145, Payments to Other Agencies.

For SCC tracking purposes, the Department of Social and Health Services (DSHS) will develop a new Program Index specifically identifying these funds so the current level of data can be pulled for reports. In addition, copies of detailed invoices will continue to be provided to the SCC by the AG.

**NB - Washington State Patrol Shortfall**

**Program: 145**

(M2) The Department of Social and Health Services (DSHS) is mandated by Executive Order 96-01 to use the Washington State Patrol (WSP) for investigations identified below. The WSP has asked for an additional \$173,300 in order to provide the contracted services described at a rate that will cover their expenses.

**NC - Office of Admin Hearings Shortfall**

**Program: 145**

(M2) This request carries forward a resource shift approved in the 2005 Supplemental Budget where 4.5 Office of Administrative Hearing positions were moved from Employment Security Department (ESD) caseload to Department of Social and Health Services (DSHS) caseload.

**NG - Dependency Litigation Workload**

**Program: 145**

(M2) Funding for additional legal services to address juvenile litigation workload issues handled by the Attorney General's (AG) Spokane Office.

**NH - Sexually Violent Predator Csl'd Incr**

State of Washington  
Department of Social and Health Services  
**Recommendation Summary**

Budget Period: 2005-07

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Dollars in Thousands	Agency Priority	Annual Avg FTEs	General Fund State	Other Funds	Total Funds
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**NH - Sexually Violent Predator Csl'd Incr**

**Program: 145**

(M2) Funding for additional legal services provided by the Office of the Attorney General related to the civil commitment of sexually violent predators.

**NI - OAH Caseload Increase**

**Program: 145**

(M2) This request would transfer funding for 1.2 Office Administrative Hearing (OAH) positions from Employment Security Department (ESD) caseload to Department of Social and Health Services (DSHS) caseload. These positions will be assigned to handle significant increases in DSHS licensing caseload.

**VA - Fund Source Adjustments**

**Program: 145**

(M2) This is a request for fund source adjustments in multiple Department of Social and Health Services (DSHS) programs.

Department of Social and Health Services

**DP Code/Title: M2-8B Technical Corrections**

**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Recommendation Summary Text:**

This is a request for technical corrections, to the 2005-07 Biennium Budget, in multiple Department of Social and Health Services (DSHS) Programs.

**Fiscal Detail:**

**Operating Expenditures**

	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	417,000	532,000	949,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	187,000	238,000	425,000
<b>Total Cost</b>	<b>604,000</b>	<b>770,000</b>	<b>1,374,000</b>

**Staffing**

**Package Description:**

Shared Services (010, 020, 030, 030/SCC, 040, 050, 060, 070, 080, 100, 110, 145)

The Governor's Office and the Office of Financial Management (OFM) provide a wide variety of policy and correspondence functions that all agencies benefit from. Resources were transferred to the Governor's Office and OFM to make the recovery of these costs more equitable and easier to manage. The entire DSHS reduction (ML-H99) was placed in Program 145 and is now being spread out to the programs.

ISSD Services (010, 020, 030, 040, 050, 060, 070, 080, 100, 110)

Program 110 was appropriated funding for steps 80 (WFSE COLA/Salary Survey), 88 (Super Coalition Health Benefits), 8T (COLA-Non-Represented), 8Z (Salary Survey-Non-Represented Staff), 9D (Pension Rate Changes), HSU (Suspend Plan 1 UAAL Contributions), and 3Y (Middle Management Reductions) that belongs to Program 150. This request is now being spread out to the programs.

Reduce Regional Staff Support (010, 040, 050, 060, 110)

Staff resources for regional offices were reduced affecting the Children's Administration (CA), Developmental Disabilities, Long Term Care, and Economic Services Administration (ESA). This reduction (PL-0S) was placed in Program 110 and is now being spread out to the programs.

Domestic Violence Prevention (010, 110)

Funding was provided for the implementation of Engrossed Substitute House Bill Number 1314. This funding (PL-DVP) was placed in Program 110 and is now being moved to Program 010.

Child Abuse and Neglect (010, 145)

Funding was provided for the implementation of Senate Bill 5922. Part of the funding (PL-ADC) was to cover additional Assistant Attorney General costs. This funding was placed in Program 010 and is now being moved to Program 145. While funding was provided to Program 010, they did not receive the FTEs. This request gives Program 010 the FTE authority equal to the funding already provided.

Middle Management Reduction (110, 150)

FTEs were reduced (PL-3Y) in Program 110 that belong to Program 150. The FTE reductions are being moved out of 110 and into Program 150.

Middle Management Reduction (110, Capital Programs)

Funds and FTEs were reduced (PL-3Y) in Program 110 that belong to Capital Program. Funding and FTE reductions are



Department of Social and Health Services

**DP Code/Title: M2-8B Technical Corrections**

**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

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being moved out of 110 and into Capital Program.

Home Care Quality Administration Federal Fund Transfer (050, 110)

Funding was provided to implement the compensation components of the 2005-07 Collective Bargaining Agreement between the state and approximately 22,000 individuals who contract to provide homecare services to children and adults with disabilities. Some of the federal funding that was placed in Program 050 should be in Program 110. This funding is being moved out of 050 and into 110.

Transfer Targeted Vendor Rate Increase for CA (010, 060)

ESA received \$14 million for increased child care rates in the 2005-07 Biennium Budget. However, several smaller child care programs are currently housed in CA and subject to the same child care rates set for ESA's Working Connection Child Care program. Therefore, a portion of the Targeted Vendor Rate increase appropriated to ESA is transferred to CA to cover anticipated increases related to the increased child care rate.

Problem Gambling (070)

Funding was provided to Program 070 (PL-0Q) to establish a program for treatment of problem gambling, which included funding for a position to manage contracts and coordinate services. The FTE needs to be added to Program 070 for both Fiscal Year 2006 and Fiscal Year 2007.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

Improve the ability of State Government to achieve its results efficiently and effectively.

***Performance Measure Detail***

**Agency Level**

***Reason for change:***

These changes are requested to correct technical errors.

***Impact on clients and services:***

Not applicable

***Impact on other state programs:***

None

***Relationship to capital budget:***

None

***Required changes to existing RCW, WAC, contract, or plan:***

None

***Alternatives explored by agency:***

None

Department of Social and Health Services

**DP Code/Title: M2-8B Technical Corrections**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

***Budget impacts in future biennia:***

These technical corrections will continue into future biennia.

***Distinction between one-time and ongoing costs:***

All costs are ongoing.

***Effects of non-funding:***

Funding is only requested to offset the Capital Budget reduction for the middle management step that was placed in the operating budget.

***Expenditure Calculations and Assumptions:***

See attachment AW M2-8B Technical Corrections.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
E Goods And Services	604,000	770,000	1,374,000

**DSHS Source Code Detail**

<b>Overall Funding</b>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Fund 001-1, General Fund - Basic Account-State</b>			
<b><u>Sources Title</u></b>			
0011 General Fund State	417,000	532,000	949,000
<b>Total for Fund 001-1</b>	<b>417,000</b>	<b>532,000</b>	<b>949,000</b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>			
<b><u>Sources Title</u></b>			
19TA Title XIX Assistance (FMAP)	0	51,000	51,000
19UL Title XIX Admin (50%)	187,000	187,000	374,000
<b>Total for Fund 001-C</b>	<b>187,000</b>	<b>238,000</b>	<b>425,000</b>
<b>Total Overall Funding</b>	<b>604,000</b>	<b>770,000</b>	<b>1,374,000</b>

## 2006 Supplemental

## Technical Corrections

	Program	FTEs			FY06			FY07			2005-07		
		FY06	FY07	Total	001-1	Other	Total	001-1	Other	Total	001-1	Other	Total
010	Children's Administration	(40.0)	(16.4)	(28.2)	(518,000)	(564,000)	(1,082,000)	(262,000)	(600,000)	(862,000)	(780,000)	(1,164,000)	(1,944,000)
020	Juvenile Rehabilitation	0.0	0.0	0.0	(16,000)	3,000	(13,000)	(11,000)	5,000	(6,000)	(27,000)	8,000	(19,000)
030	Mental Health Division	0.0	0.0	0.0	(31,000)	(8,000)	(39,000)	(29,000)	(6,000)	(35,000)	(60,000)	(14,000)	(74,000)
030/SCC	Special Commitment Center	0.0	0.0	0.0	(6,000)	0	(6,000)	(5,000)	0	(5,000)	(11,000)	0	(11,000)
040	Division of Developmental Disabilities	(9.0)	(9.0)	(9.0)	(295,000)	(185,000)	(480,000)	(291,000)	(179,000)	(470,000)	(586,000)	(364,000)	(950,000)
050	Long Term Care Services	(17.0)	(17.0)	(17.0)	(400,000)	(688,000)	(1,088,000)	(395,000)	(683,000)	(1,078,000)	(795,000)	(1,371,000)	(2,166,000)
060	Economic Services Administration	(58.0)	(58.0)	(58.0)	(1,699,000)	(1,450,000)	(3,149,000)	(2,010,000)	(1,397,000)	(3,407,000)	(3,709,000)	(2,847,000)	(6,555,000)
070	Division of Alcohol & Substance Abuse	1.0	1.0	1.0	(3,000)	1,000	(2,000)	(3,000)	1,000	(2,000)	(6,000)	2,000	(4,000)
080	Medical Assistance Administration	0.0	0.0	0.0	(15,000)	(24,000)	(39,000)	(13,000)	(21,000)	(34,000)	(28,000)	(45,000)	(73,000)
100	Vocational Rehabilitation	0.0	0.0	0.0	(4,000)	(1,000)	(5,000)	(3,000)	2,000	(1,000)	(7,000)	1,000	(6,000)
110	Administrative & Supporting Services	125.3	127.8	126.6	2,401,000	2,898,000	5,299,000	2,285,000	2,900,000	5,185,000	4,686,000	5,798,000	10,484,000
145	Payments to Other Agencies	0.0	0.0	0.0	417,000	187,000	604,000	532,000	238,000	770,000	949,000	425,000	1,374,000
150	Information System Services Division	(1.3)	(2.8)	(2.1)	0	0	0	0	0	0	0	0	0
Agency-Wide:		1.0	25.6	13.3	(169,000)	169,000	0	(205,000)	260,000	55,000	(374,000)	429,000	55,000

***There are multiple components to this ML-8B step:***

Shared Services (010, 020, 030, SCC, 040, 050, 060, 070, 080, 100, 110, 145)

ISSD Services (010, 020, 030, 040, 050, 060, 070, 080, 100, 110, 150)

**Reduce Regional Support Staff (010, 040, 050, 060, 110)**

HB-1314 Domestic Violence Prevention (010, 110)

HCQA Federal Fund Transfer (050, 110)

ESSB-5922 Child Abuse & Neglect (010, 145)

### Middle Management Reduction (110 & 150)

### Middle Management Reduction (110 & CAPITOL)

Targeted Vendor Rate Transfer (010, 060)

Problem Gambling (070)

Department of Social and Health Services

**DP Code/Title: M2-KQ Transfer AG Funding from 030 to 145**

**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Recommendation Summary Text:**

This is a request to move all 030 Special Commitment Center (SCC) Sexually Violent Predator (SVP) Attorney General (AG) appropriations for prosecution services to Program 145, Payments to Other Agencies.

For SCC tracking purposes, the Department of Social and Health Services (DSHS) will develop a new Program Index specifically identifying these funds so the current level of data can be pulled for reports. In addition, copies of detailed invoices will continue to be provided to the SCC by the AG.

**Fiscal Detail:**

**Operating Expenditures**

	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	1,754,000	1,753,000	3,507,000
<b>Total Cost</b>	<b>1,754,000</b>	<b>1,753,000</b>	<b>3,507,000</b>

**Staffing**

**Package Description:**

Currently, funding for prosecuting attorney services associated with Sexually Violent Predator (SVP) cases is appropriated in two areas: 030 Special Commitment Center and 145 Payments to Other Agencies. Having the funding divided has proven to be an inefficient way to manage the SCC Attorney General (AG) costs.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

Activity: The SCC, located on McNeil Island, completes evaluations, custody, care, and treatment of individuals who have pending petitions for civil commitment or have been civilly committed as sexually violent predators under the law. Residents are encouraged to participate in a six-level program structured to enable them to be prepared for reunification with the community.

Expected Result: This decision package contributes to the improvement of the safety of people and property by insuring that the funds for the AG's prosecuting services are available in the most efficient and responsible manner.

***Performance Measure Detail***

**Agency Level**

Activity: **N073 Payment to Other Agencies**  
No measures linked to package

<b>Incremental Changes</b>	
<b><u>FY 1</u></b>	<b><u>FY 2</u></b>
0.00	0.00

***Reason for change:***

The SCC contracts with the AG for the total SVP expenditures to include the share appropriated into 145. Complications arise when AG expenditures are incurred that extend beyond the current total SVP appropriation and at times has made it necessary for the SCC to use funds that were allotted for other expenditures to cover AG expenditures. With other DSHS programs, AG contracts and AG expenditures are handled by program 145.

***Impact on clients and services:***

Department of Social and Health Services

**DP Code/Title: M2-KQ Transfer AG Funding from 030 to 145**  
**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07      Version: N2 145 2006 Sup Agency Request

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None

***Impact on other state programs:***

None

***Relationship to capital budget:***

Not applicable

***Required changes to existing RCW, WAC, contract, or plan:***

Not applicable

***Alternatives explored by agency:***

The alternative of moving the appropriated AG funds in 145 to 030 SCC was considered. With the exception of 030 SCC, all DSHS AG contracts and appropriations are currently managed in 145. Keeping this management centralized in the area where it is currently handled helps to ensure that we are using our funds efficiently and serving our clients and the public in the most effective way possible.

***Budget impacts in future biennia:***

While this request is not for additional funding, the costs are ongoing and additional funding may be necessary as workload increases.

***Distinction between one-time and ongoing costs:***

All costs are ongoing.

***Effects of non-funding:***

Allowing the SCC appropriation to be divided among two programs allows for loopholes in managing AG costs. The consequences include redundancy in communication, prolonged negotiation over contracts and Memos of Understanding, and funding being diverted from other expenditures to cover prosecuting attorney costs.

***Expenditure Calculations and Assumptions:***

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	1,754,000	1,753,000	3,507,000

Department of Social and Health Services

**DP Code/Title: M2-KQ Transfer AG Funding from 030 to 145**

**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07      Version: N2 145 2006 Sup Agency Request

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**DSHS Source Code Detail**

<b>Overall Funding</b>		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Fund 001-1, General Fund - Basic Account-State</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
0011	General Fund State	1,754,000	1,753,000	3,507,000
<i>Total for Fund 001-1</i>		<u>1,754,000</u>	<u>1,753,000</u>	<u>3,507,000</u>
<b>Total Overall Funding</b>		<u>1,754,000</u>	<u>1,753,000</u>	<u>3,507,000</u>

Department of Social and Health Services

DP Code/Title: M2-NB Washington State Patrol Shortfall

Program Level - 145 Payment to Other Agencies

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Recommendation Summary Text:**

The Department of Social and Health Services (DSHS) is mandated by Executive Order 96-01 to use the Washington State Patrol (WSP) for investigations identified below. The WSP has asked for an additional \$173,300 in order to provide the contracted services described at a rate that will cover their expenses.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	53,000	66,000	119,000
001-2 General Fund - Basic Account-Federal	3,000	3,000	6,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	5,000	7,000	12,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	16,000	20,000	36,000
<b>Total Cost</b>	<b>77,000</b>	<b>96,000</b>	<b>173,000</b>

**Staffing**

**Package Description:**

Executive Order 96-01 mandated DSHS to conduct investigations using the WSP.

Cases transferred to the WSP are:

1. All alleged criminal cases constituting a violation deemed to be a gross misdemeanor or felony.
2. All major administrative investigations consisting of allegations of willful or wanton disregard for DSHS policies and procedures, which would include but not be limited to the following: Gross failure to perform essential job functions, failure to conform to law, which would constitute a gross misdemeanor, allegations of abuse of position and any other cases deemed necessary by the Secretary of DSHS in consultation with the Chief of the WSP.

The current contract with WSP (WSP Agreement No.C060020GSC) is for \$1,045,000. Due to increases in WSP costs, the amount needs to be increased by \$173,300.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

DSHS is committed to improving the safety of clients, and providing a safe work environment for its staff. Funding this package not only ensures compliance with Executive Order 96-01 but relates directly to the safety of clients and employees.

***Performance Measure Detail***

**Agency Level**

Activity: N073 Payment to Other Agencies

No measures linked to package

**Incremental Changes**

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

***Reason for change:***

Since the original contract was implemented, the WSP's costs have increased. WSP commissioned officers received a 3.6 percent increase in salaries effective July 1, 2005 and will receive an additional 3.2 percent increase in September of 2005. Non-commissioned staff working under this agreement are represented by employee bargaining units, and received a 3.2

Department of Social and Health Services

**DP Code/Title: M2-NB Washington State Patrol Shortfall**  
**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

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percent increase effective July 1, 2005. Both commissioned and non-commissioned employees will receive an additional 1.6 percent increase in salaries effective July 1, 2006.

Also, the costs of health care benefits will increase during the 2006 and 2007 fiscal years. As compared to \$585 per month during Fiscal Year 2005, the WSP's share of health insurance cost increased to \$663 per month during Fiscal Year 2006 and will increase to \$744 per month during Fiscal Year 2007.

Also, during Fiscal Year 2006, the WSP units in Olympia will be centralized within the General Administration Building. This will result in an increase in lease costs for the WSP divisions that provide services to DSHS through this agreement.

***Impact on clients and services:***

None

***Impact on other state programs:***

Administrations will need to pay more for the contract.

***Relationship to capital budget:***

Not applicable

***Required changes to existing RCW, WAC, contract, or plan:***

Not applicable

***Alternatives explored by agency:***

In 2005, Senate Bill 5184 was introduced to address payment to local law enforcement for services to administrations; the bill did not pass. Also, House Bill 1002 was introduced and was intended to provide reimbursement to local law enforcement from the Institutional Impact Account. It was limited to juvenile rehabilitation institutions and the forensic units at the state hospitals and did not pass.

***Budget impacts in future biennia:***

None

***Distinction between one-time and ongoing costs:***

None

***Effects of non-funding:***

The WSP will need to provide services at a funding rate that will not cover costs. If we do not use the WSP as stated above, DSHS would be in violation of Executive Order 96-01.

***Expenditure Calculations and Assumptions:***

See attachment Other M2-NB Washington State Patrol Shortfall.xls



State of Washington  
**Decision Package**  
Department of Social and Health Services

**FINAL**

**DP Code/Title: M2-NB Washington State Patrol Shortfall**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
E Goods And Services	77,000	96,000	173,000
 <b>DSHS Source Code Detail</b>			
<b>Overall Funding</b>	<u><b>FY 1</b></u>	<u><b>FY 2</b></u>	<u><b>Total</b></u>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources Title</u>			
0011 General Fund State	53,000	66,000	119,000
<i>Total for Fund 001-1</i>	<b>53,000</b>	<b>66,000</b>	<b>119,000</b>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources Title</u>			
001B Social Security Disability Ins (100%)	1,000	1,000	2,000
E61L Food Stamp Program (50%)	2,000	2,000	4,000
<i>Total for Fund 001-2</i>	<b>3,000</b>	<b>3,000</b>	<b>6,000</b>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	4,000	5,000	9,000
658L Title IV-E-Foster Care (50%)	1,000	2,000	3,000
<i>Total for Fund 001-A</i>	<b>5,000</b>	<b>7,000</b>	<b>12,000</b>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources Title</u>			
19UL Title XIX Admin (50%)	16,000	20,000	36,000
<i>Total for Fund 001-C</i>	<b>16,000</b>	<b>20,000</b>	<b>36,000</b>
<b>Total Overall Funding</b>	<b>77,000</b>	<b>96,000</b>	<b>173,000</b>

# 2006 Supplemental M2-NB Washington State Patrol Shortfall

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	Fiscal Year 2006			Fiscal Year 2007			2005-07		
	WSP Projected FY06	FY06 Funded	Unfunded FY06	WSP Projected FY07	FY07 Funded	Unfunded FY07	Total WSP Projected Amount	05-07 Funded Amount	2005-07 Unfunded
Salaries	299,800	279,580	20,220	305,000	279,580	25,420	604,800	559,160	45,640
Benefits	66,600	42,320	24,280	74,900	42,320	32,580	141,500	84,640	56,860
Goods & Services	99,400	81,700	17,700	99,400	81,700	17,700	198,800	163,400	35,400
Travel	6,000	6,000	0	6,000	6,000	0	12,000	12,000	0
Total Direct Costs	471,800	409,600	62,200	485,300	409,600	75,700	957,100	819,200	137,900
Indirect Cost	128,200	112,900	15,300	133,000	112,900	20,100	261,200	225,800	35,400
Total	600,000	522,500	77,500	618,300	522,500	95,800	1,218,300	1,045,000	173,300

Rounded to 000's

	FY06	FY07	Biennial
Funding Request	77,000	96,000	173,000

Department of Social and Health Services

**DP Code/Title: M2-NC Office of Admin Hearings Shortfall**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Recommendation Summary Text:**

This request carries forward a resource shift approved in the 2005 Supplemental Budget where 4.5 Office of Administrative Hearing positions were moved from Employment Security Department (ESD) caseload to Department of Social and Health Services (DSHS) caseload.

**Fiscal Detail:**

<u>Operating Expenditures</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	278,000	280,000	558,000
001-2 General Fund - Basic Account-Federal	13,000	13,000	26,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	151,000	152,000	303,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	44,000	45,000	89,000
<b>Total Cost</b>	<b>486,000</b>	<b>490,000</b>	<b>976,000</b>

**Staffing**

**Package Description:**

The Office of Administrative Hearings (OAH) is an independent state agency that conducts impartial administrative hearings for other government agencies. The agency conducts hearings for DSHS in four main categories: public assistance; child support; facility licensing; and juvenile rehabilitation.

To keep pace with significant workload growth in DSHS caseload during the 2003-05 Biennium, OAH shifted 3.0 Administrative Law Judges and 1.5 Office Assistant Seniors from ESD caseload to DSHS caseload. This shift in resources, funded in the 2005 Supplemental, needs to continue during 2005-07 because DSHS caseload is expected to remain at or above the higher caseload levels.

The total DSHS caseload increased by nearly 6,000 cases, or 13 percent, from the 2001-03 Biennium to the 2003-05 Biennium. The increases occurred in three of four main categories as displayed in the attached Other M2-NC OAH Shortfall Case chart.

The additional positions shifted to DSHS caseload in Fiscal Year 2005 brought the total number of OAH positions directly assigned to DSHS cases to 58.6. These new positions were primarily assigned to handle Public Assistance caseload increases resulting from use of the CARE (Comprehensive Assessment Reporting Evaluation) tool. Because of these additional resources, the time that appellants waited from the date their appeal was filed to their first scheduled hearing date was reduced from a projected 70 days to 64 days. Also, the number of initial and final orders (decisions issued) increased 12 percent, from 4,709 in Fiscal Year 2004 to 5,356 in Fiscal Year 2005 (the remaining cases were settled or dismissed by the Administrative Law Judge at or prior to the scheduled hearing). Also because of these additional resources, the percentage of late decisions held constant at 11 percent from Fiscal Year 2004 to Fiscal Year 2005, despite the increase in caseload.

Since OAH already has adequate appropriation authority, only a shift of revolving fund allocations between ESD and DSHS is necessary. Approximately half of the revenue received from DSHS into the Administrative Hearings Revolving Account (fund 484) is derived from GF-State funding.

**Narrative Justification and Impact Statement**

*How contributes to strategic plan:*

Department of Social and Health Services

**DP Code/Title: M2-NC Office of Admin Hearings Shortfall**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

This request supports both of OAH's goals to; 1) conduct high quality hearings and issue sound decisions, and 2) provide timely hearings and decisions, by correctly aligning agency resources to meet workload demand.

The request also supports the Priority of Government statewide goal to; Improve the ability of State Government to achieve its results efficiently and effectively.

**Performance Measure Detail**

**Agency Level**

Activity: N073 Payment to Other Agencies

No measures linked to package

**Incremental Changes**

**FY 1**

**FY 2**

0.00

0.00

**Reason for change:**

The number of administrative hearings conducted for DSHS has increased substantially during the past several fiscal years while the caseload for ESD hearings has decreased during this same period. The most significant increases have been in the public assistance caseload, including Home and Community Services, Area Agencies on Aging - Client Services, Developmental Disabilities, and prescription drug coverage under the DSHS Health and Recovery Services Administration (formerly called MAA). Shifting 4.5 staff positions from working on ESD cases to DSHS cases is necessary to balance resources and maintain timeliness standards across each type of caseload.

**Impact on clients and services:**

This change will help OAH to meet its cooperative agreement with DSHS, and expectations of DSHS appellants, by holding hearings promptly and issuing sound decisions in a timely manner.

**Impact on other state programs:**

The agency will also continue to meet timeliness and quality standards for ESD cases.

**Relationship to capital budget:**

Not applicable

**Required changes to existing RCW, WAC, contract, or plan:**

Not applicable

**Alternatives explored by agency:**

Over the past several years, the agency has implemented technology upgrades and process improvements in order to increase the efficiency and effectiveness of personnel who process administrative hearing cases. These efficiencies, however, are not adequate to keep pace with the increase in caseload. The agency also tried to handle increased caseload without additional staffing. Unfortunately, without additional staff and because of the time necessary to process DSHS cases that are often complex and highly emotional, there was a steady increase in the number of days that DSHS appellants had to wait before their case was heard.

**Budget impacts in future biennia:**

The additional resources added to DSHS cases will carry forward to future biennia, as long as caseload remains at or above current levels and while the ESD caseload remains at or below current levels. Should caseloads shift in the future, further changes in resource allocations will be necessary.

Department of Social and Health Services

**DP Code/Title: M2-NC Office of Admin Hearings Shortfall**  
**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

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***Distinction between one-time and ongoing costs:***

None

***Effects of non-funding:***

Not funding this request will require the agency to reduce the number of positions currently assigned to DSHS cases. This will result in long hearing delays and untimely decisions for DSHS customers, which often include some of the most vulnerable of Washington State citizens.

***Expenditure Calculations and Assumptions:***

Salary and benefit calculations are for 3.0 Administrative Law Judge positions and 1.5 Office Assistant Senior positions and include compensation increases funded in the 2005-07 Biennial Budget.

Purchased Services (Sub-Object ER) costs have also increased with the additional DSHS caseload to pay for transcripts ordered by the DSHS Board of Appeals, interpreters, and court reporter appearance fees. These costs escalated from \$567,000 in the 2001-03 Biennium to \$868,000 in the 2003-05 Biennium.

See chart in attachment Other M2-NC Office of Administrative Hearings Shortfall.doc

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
E Goods And Services	486,000	490,000	976,000

Department of Social and Health Services

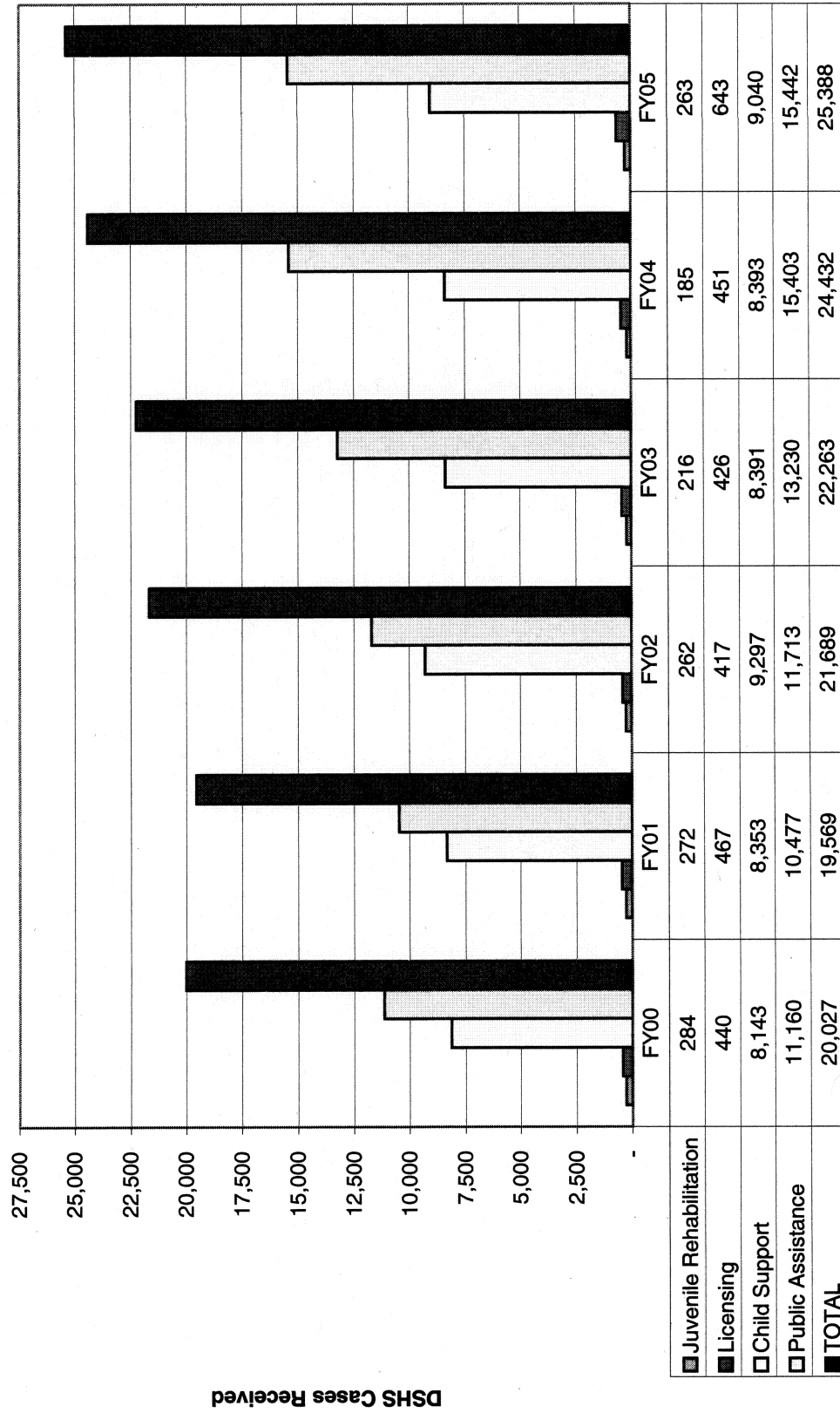
**DP Code/Title: M2-NC Office of Admin Hearings Shortfall**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**DSHS Source Code Detail**

<b>Overall Funding</b>		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Fund 001-1, General Fund - Basic Account-State</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
0011	General Fund State	278,000	280,000	558,000
<b>Total for Fund 001-1</b>		<b>278,000</b>	<b>280,000</b>	<b>558,000</b>
<b>Fund 001-2, General Fund - Basic Account-Federal</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
E61L	Food Stamp Program (50%)	13,000	13,000	26,000
<b>Total for Fund 001-2</b>		<b>13,000</b>	<b>13,000</b>	<b>26,000</b>
<b>Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
563I	Title IV-D Child Support Enforcement (A) (66%)	141,000	142,000	283,000
658L	Title IV-E-Foster Care (50%)	8,000	8,000	16,000
659L	Title IV-E Adoption Assistance (50%)	2,000	2,000	4,000
<b>Total for Fund 001-A</b>		<b>151,000</b>	<b>152,000</b>	<b>303,000</b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
19UL	Title XIX Admin (50%)	44,000	45,000	89,000
<b>Total for Fund 001-C</b>		<b>44,000</b>	<b>45,000</b>	<b>89,000</b>
<b>Total Overall Funding</b>		<b>486,000</b>	<b>490,000</b>	<b>976,000</b>

## DSHS Cases Received by Type



Department of Social and Health Services

**DP Code/Title: M2-NG Dependency Litigation Workload**

**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Recommendation Summary Text:**

Funding for additional legal services to address juvenile litigation workload issues handled by the Attorney General's (AG) Spokane Office.

**Fiscal Detail:**

**Operating Expenditures**

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	78,000	155,000	233,000
001-2 General Fund - Basic Account-Federal	1,000	2,000	3,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	17,000	35,000	52,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	9,000	18,000	27,000
<b>Total Cost</b>	<b>105,000</b>	<b>210,000</b>	<b>315,000</b>

**Staffing**

**Package Description:**

This request is for funding to cover costs of 1 FTE attorney and .5 FTE Legal Assistant to handle workload issues in juvenile litigation matters in the Spokane office beginning January 1, 2006. This request is for 18 months of funding. The legal services provided by these FTEs will be used by the Department of Social and Health Services (DSHS) Children's Administration (CA).

There are two juvenile litigation workload issues to be addressed by the AG's Office in Spokane. Both of these issues impact the AGO's ability to protect the safety of children.

First, there is a rapidly increasing caseload being handled by this office. Statistics kept by the Spokane SHS Section reveal the following:

Dependency filings 2003 - 390 filings, 2004 - 443 filings, 2005 - 317 filings through June (annual projection is 634 filings).

This represents a substantial increase in calendar year 2005 compared to calendar year 2004. The AGO estimates that dependency filings will increase 43 percent in 2005 if the current trend continues.

The second issue facing the Spokane office is a change in juvenile court procedure that was implemented in June 2005. The court imposed a new set of hearings and shorter timelines for dependencies filed in Spokane County. The hearing is intended to occur 45 to 60 days from filing but currently is held about 90 days from filing. The purpose of the hearing is multifaceted and is a combination of an actual dependency review, trial status conference where legal issues are defined and discussed, and an attempt by the bench to engage the parents in services to reunite the family. These hearings were anticipated to last about 15 minutes, but usually last up to 30 minutes.

In addition, because of the all encompassing nature of these new hearings, the court requires the presence of the specific AAG assigned to each case making it impossible for the AGO to treat these like a "docket" where one AAG might be able to handle multiple cases. The AGO agrees with the court that the assigned AAG must be present; otherwise, the purpose of the hearing is defeated.

In the face of these two challenges, the Spokane office has not had an increase in AAG positions during this time period. Juvenile work has averaged 5.39 attorney FTEs over the last 7 years. This is in spite of a huge increase in cases. With cases



Department of Social and Health Services

**DP Code/Title: M2-NG Dependency Litigation Workload**

**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

increasing over 40 percent in just one year, and a new set of court-mandated juvenile hearings, working with the same level of attorney FTEs has reached the point where the AGO's ability to effectively and efficiently represent DSHS and the interests of children is substantially compromised. Additionally, since the late 1990s the local Public Defender's office has increased their attorney staff 75 percent (4 to 7) and added 2 paralegals and 1 legal assistant. With this additional staff the Public Defenders have become more litigious, resulting in more required court appearances for the AAGs.

The combination of all these factors is that the Spokane Office AAGs representing DSHS, are sometimes unable to cover all scheduled court hearings. The result is to compromise the ability of the Spokane office to effectively and efficiently represent the DSHS CA and protect the safety of the children involved.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

This budget request helps support the DSHS Strategic plan and the mission of the department to improve the quality of life for individuals and families in need. The AGO indirectly contributes to the achievement of the DSHS Strategic plan goals of improving the health and safety of communities and clients and improving prevention and care services through the provision of timely and high-quality services.

***Performance Measure Detail***

**Agency Level**

**Activity: N073 Payment to Other Agencies**

No measures linked to package

**Incremental Changes**

**FY 1**

0.00

**FY 2**

0.00

***Reason for change:***

There are two reasons that are driving the need for this request. One is a rapid increase in dependency case filings in the last year and the second is a change in Spokane County court procedures that requires a change in how attorneys schedule court appearances. The net result is to require more attorneys to spend more time in the court attending hearings.

***Impact on clients and services:***

This request is essential to protecting the safety of children by the DSHS CA, and DSHS supports this request.

***Impact on other state programs:***

None

***Relationship to capital budget:***

Not applicable

***Required changes to existing RCW, WAC, contract, or plan:***

Not applicable

***Alternatives explored by agency:***

There are no viable alternatives to providing additional legal services for the increasing number of dependency cases because the safety of children is at issue. Similarly, there is no alternative to complying with the court procedures when they are

Department of Social and Health Services

**DP Code/Title: M2-NG Dependency Litigation Workload**  
**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

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changed. Relying on contracted Special Assistant AG costs about twice as much as adding AGO staff, so that approach is unaffordable.

***Budget impacts in future biennia:***

The need for the additional AGO FTEs is expected to continue in the future, since there is no reason to assume the number of dependency filings will decrease or that the court will change its procedures. If dependency cases continue to increase in the future there may be a need for additional legal services in the future.

***Distinction between one-time and ongoing costs:***

The need for this request is expected to continue in the future, making this a request for permanent funding.

***Effects of non-funding:***

The effect of non-funding would be a compromise in the quality of legal representation provided to DSHS and a reduced ability to protect the safety of the children involved. Since non-compliance with court procedures is not an option, the caseload of each attorney would increase to an unacceptable level.

***Expenditure Calculations and Assumptions:***

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
E Goods And Services	105,000	210,000	315,000

Department of Social and Health Services

**DP Code/Title: M2-NG Dependency Litigation Workload**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**DSHS Source Code Detail**

<b>Overall Funding</b>		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Fund 001-1, General Fund - Basic Account-State</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
0011	General Fund State	78,000	155,000	233,000
<b>Total for Fund 001-1</b>		<b>78,000</b>	<b>155,000</b>	<b>233,000</b>
<b>Fund 001-2, General Fund - Basic Account-Federal</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
E61L	Food Stamp Program (50%)	1,000	2,000	3,000
<b>Total for Fund 001-2</b>		<b>1,000</b>	<b>2,000</b>	<b>3,000</b>
<b>Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
563I	Title IV-D Child Support Enforcement (A) (66%)	3,000	7,000	10,000
658L	Title IV-E-Foster Care (50%)	13,000	26,000	39,000
659L	Title IV-E Adoption Assistance (50%)	1,000	2,000	3,000
<b>Total for Fund 001-A</b>		<b>17,000</b>	<b>35,000</b>	<b>52,000</b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
19UL	Title XIX Admin (50%)	9,000	18,000	27,000
<b>Total for Fund 001-C</b>		<b>9,000</b>	<b>18,000</b>	<b>27,000</b>
<b>Total Overall Funding</b>		<b>105,000</b>	<b>210,000</b>	<b>315,000</b>

Department of Social and Health Services

**DP Code/Title: M2-NH Sexually Violent Predator Csl'd Incr**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Recommendation Summary Text:**

Funding for additional legal services provided by the Office of the Attorney General related to the civil commitment of sexually violent predators.

**Fiscal Detail:**

**Operating Expenditures**

	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	379,000	613,000	992,000
<b>Total Cost</b>	<b>379,000</b>	<b>613,000</b>	<b>992,000</b>

**Staffing**

**Package Description:**

This request is to add 2 FTE Assistant Attorneys General (AAG), 1 FTE Paralegal and 1 FTE Legal Assistant to the Sexually Violent Predator Unit of the Attorney Generals Office's (AGO) Criminal Justice Division beginning January 1, 2006. This increase in staffing levels is in direct response to increasing caseload, and is essential to ensure that dangerous mentally disordered sex offenders are not released into the community. In addition, funds are requested (\$100,000 annually) to cover the costs associated with court mandated reports, depositions, document copying, and expert witnesses.

The sexually violent predator (SVP) law allows the state to civilly commit sex offenders who, because of a mental disorder, are likely to continue to commit sexually violent acts unless they are confined in a secure facility for treatment. Civil commitment as an SVP is indefinite.

**Background**

The nature of SVP civil commitments dictates a growing caseload, at least until a balance is reached between new cases filed and persons leaving the caseload. SVPs remain in custody until it has been determined that they can be safely returned to the community, which happens very rarely. Of the 107 persons committed as SVPs by the AGO since 1990, only 8 of those cases have been closed. Of these, 5 were closed following the offenders' deaths, one was released to a care facility after becoming permanently disabled, and two were released following decisions by the Court of Appeals. All other cases filed since 1990 remain open, and the AGO SVP Unit continues to handle those cases since an annual court review - which could always lead to another trial - is statutorily required.

To illustrate this growth in AGO caseload, the attached document NH-New Cases Filed by AGO Increasing Over Time.doc are helpful.

As the attached charts illustrate, there is a definite growth in the number of new cases filed and trials pending. It is interesting to note that from 2000 to 2002 both measures temporarily dropped. This was due to a policy change at the Department of Corrections (DOC) delaying the referral - and subsequent filing and trial - of SVP cases. This policy was subsequently reversed by the courts and the growth in both measures has been substantial over the last three years.

The following attached document SVP Annual Review Workload Growing Rapidly.doc illustrates a major factor in the expectation that SVP workload will continue to increase in the future. As a larger number of offenders enter the system the requirement for an annual review of each case drives the annual workload up. This chart helps to explain the need for additional legal services resources immediately to deal with a growing caseload, and also suggests that additional resources may be needed in future biennia.

Another way to illustrate the need for additional legal services staff is to examine the caseload per attorney and per paralegal.

Department of Social and Health Services

**DP Code/Title: M2-NH Sexually Violent Predator Csld Incr**  
**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

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See attached document NH Staffing levels Per Year.doc

Based on these staffing levels, the following attached document NH Attorney SVP Caseload Has Grown to a Record Level.doc reflects the dramatic growth in the total number of cases per attorney over this period. As would be expected, attorney caseload drops when additional staff is added (for example, in 1999, 2001 and 2002). There have been, however, no additional attorneys added since 2002 and the caseload has risen to the current unsustainable level. While the addition of paralegal staff is helpful to the attorneys in dealing with the growing caseload, the addition of paralegals has not been sufficient to significantly affect this measure.

**Comparison to King County:**

The current civil commitment process includes two government entities that initiate the commitment proceedings. The King County Prosecutor's Office (KCPO) handles SVP civil commitments in King County, and the AGO represents the state for civil commitments for all other counties. Given this arrangement, it is helpful to look at the number of cases handled by each organization.

The KCPO currently employs 9 full-time attorneys compared to the 6 attorneys in the AGO SVP Unit. They have an equal number of paralegals as the AGO SVP Unit. However, the KCPO handles just over half the number of cases handled by the AGO.

In addition to this higher number of cases per attorney, the AGO is required to travel throughout the state to prosecute these matters in the remaining 38 counties. The considerable amount of time spent travelling by AGO attorneys consumes time that cannot be spent on case preparation.

Currently, the caseload per attorney is almost three times as high for the AGO as it is for the KCPO, as illustrated by the attached chart NH Case Load Comparison.doc.

Furthermore, this inequality in caseloads between the two offices continues to grow. In 2005, the AGO is expected to file 27 new SVP cases while the KCPO is expected to file only 7.

**Summary**

Increased legal services staffing is essential to the protection of Washington citizens from sexually violent predators. The extreme danger posed by SVPs is demonstrated by examining the number of sex offenses committed by each SVP. In 2004, the AGO SVP Unit filed to civilly commit 18 offenders. On average, each of these offenders is known to have committed approximately 6 sex offenses. These offenses included crimes such as Rape 1st to 3rd degree, Rape of a Child 1st to 3rd degree, Child Molestation 1st and 2nd degree; Indecent Liberties, Kidnapping, and Residential Burglary. In total, the 18 offenders the SVP Unit filed against in one year were known to be responsible for sexually offending against over 100 victims. Unfortunately, this is likely to be a conservative estimate as it is well established within the field that sex offenders, particularly those who offend against children, commit many, many undetected crimes for each crime that is detected.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

This budget request helps support the DSHS Strategic plan and the mission of the department to improve the quality of life for individuals and families in need. The AGO indirectly contributes to the achievement of the DSHS Strategic plan goals of improving the health and safety of communities and clients and improving prevention and care services through the provision of timely and high-quality services.

This request contributes to Statewide Results #11 "Improve the ability of State Government to achieve its results efficiently and effectively". The AGO plays a critical role in enabling its client agencies (in this case DSHS) to achieve their missions by

Department of Social and Health Services

**DP Code/Title: M2-NH Sexually Violent Predator Csl'd Incr**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

providing timely and high-quality legal services.

***Performance Measure Detail***

**Agency Level**

**Activity: N073 Payment to Other Agencies**

No measures linked to package

**Incremental Changes**

**FY 1**

**FY 2**

0.00

0.00

***Reason for change:***

The reason for the immediacy of this request is the rapid increase in the number of SVP cases filed and the need to provide timely annual reviews for current offenders.

***Impact on clients and services:***

This request is essential to protecting the public safety, especially children, and will support the ongoing efforts of DSHS, and DSHS supports this request.

***Impact on other state programs:***

None

***Relationship to capital budget:***

Not applicable

***Required changes to existing RCW, WAC, contract, or plan:***

Not applicable

***Alternatives explored by agency:***

There is no viable alternative to providing additional legal services for the increasing number of SVP cases and offenders because the safety of the public is at issue. There is no alternative to complying with the required annual review of each case. Contracting these services out is not a feasible or affordable alternative since contracted Special Assistant AG would not have the experience with this type of specialized case and would cost about twice as much as adding AGO staff.

***Budget impacts in future biennia:***

The need for the additional AGO legal services staff is expected to continue in the future, since there is no reason to assume the number of new case filings or the requirement for annual reviews will change. In fact, if new case filings continue to substantially exceed the number of offenders who leave the caseload each year, it is likely that additional staff will be required in future biennia.

***Distinction between one-time and ongoing costs:***

The need for this request is expected to continue in the future, making this a request for permanent funding.

***Effects of non-funding:***

The effect of non-funding would be to severely impact the ability of the AGO to provide quality legal representation to DSHS when filing new SVP cases, and to represent the state on a timely basis for the required annual reviews. This compromise in the ability of the AGO to provide timely and quality legal representation would be a direct threat to public

Department of Social and Health Services

**DP Code/Title: M2-NH Sexually Violent Predator Csl'd Incr**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

safety, especially to the safety of children who are preyed upon by SVPs.

*Expenditure Calculations and Assumptions:*

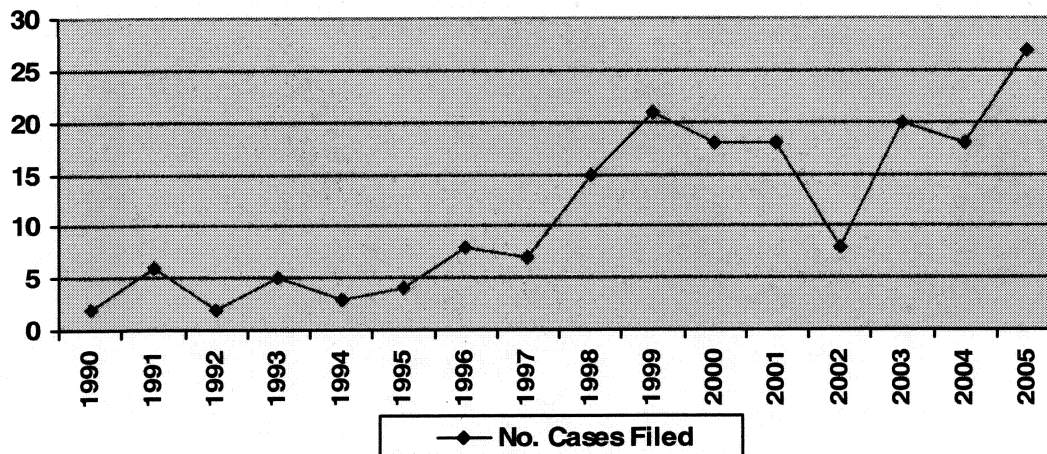
See attachment Payment to Other Agencies M2-NH Sexually Violent Predator Csl'd Incr.doc

<u>Object Detail</u>		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding				
E	Goods And Services	379,000	613,000	992,000
<u>DSHS Source Code Detail</u>				
Overall Funding		<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Fund 001-1, General Fund - Basic Account-State				
<u>Sources</u>	<u>Title</u>			
0011	General Fund State	379,000	613,000	992,000
<i>Total for Fund 001-1</i>		<u>379,000</u>	<u>613,000</u>	<u>992,000</u>
Total Overall Funding		<u>379,000</u>	<u>613,000</u>	<u>992,000</u>

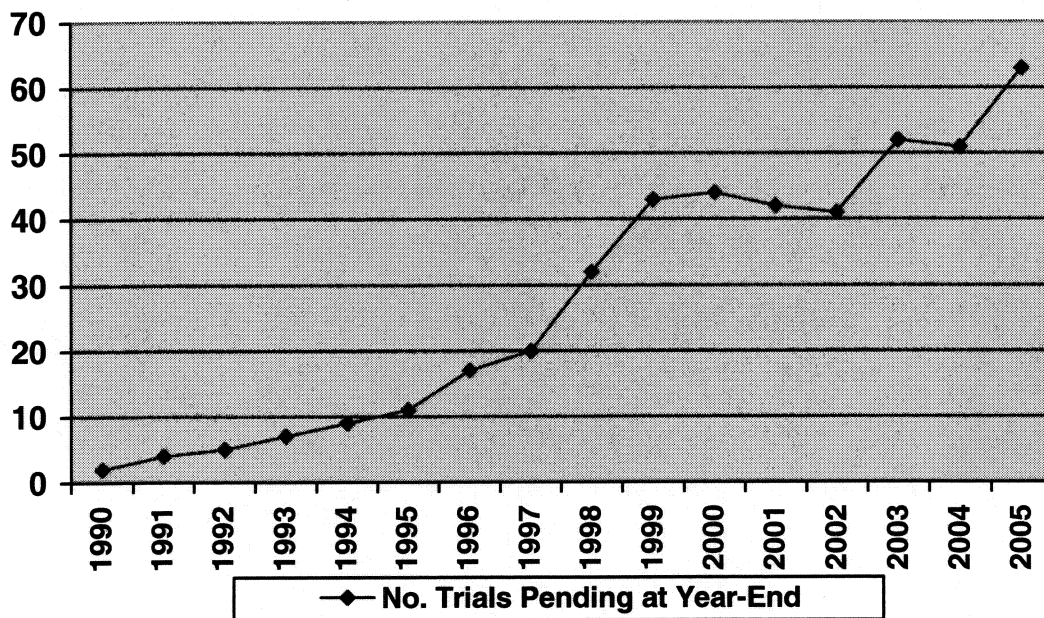
## 2006 Supplemental M2-NH Sexually Violent Predator Caseload Increase

To illustrate this growth in AGO caseload, the following charts are helpful:

**New Cases Filed by AGO Increasing Over Time**



**Number of Trials Pending Continues to Grow**



As the above charts illustrate, there is a definite growth in the number of new cases filed and trials pending. It is interesting to note that from 2000 to 2002 both measures temporarily dropped. This was due to a policy change at the Department of Corrections (DOC) delaying the referral – and subsequent filing and trial - of SVP cases. This policy was subsequently reversed by the courts and the growth in both measures has been substantial over the last three years.

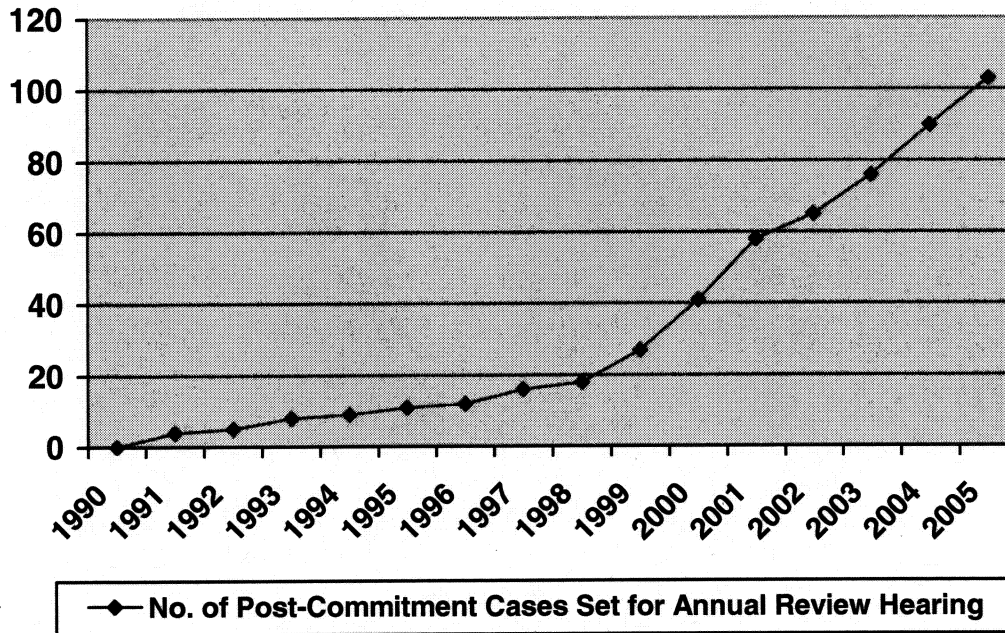


## 2006 Supplemental

### M2-NH Sexually Violent Predator Caseload Increase

The following chart illustrates a major factor in the expectation that SVP workload will continue to increase in the future. As a larger number of offenders enter the system the requirement for an annual review of each case drives the annual workload up. This chart helps to explain the need for additional legal services resources immediately to deal with a growing caseload, and also suggests that additional resources may be needed in future biennia.

**SVP Annual Review Workload Growing Rapidly**



Another way to illustrate the need for additional legal services staff is to examine the caseload per attorney and per paralegal. The following are the staffing levels per year for the SVP Unit:

	1990	91	92	93	94	95	96	97	98	99	2000	01	02	03	04	05
<b>Attorney</b>	1	1	2	2	2	2	2	2	2	3	3	4	6	6	6	6
<b>Paralegal</b>	0	0	0	0	0	0	0	1	1	1	1	1	2	2	2	2

Based on these staffing levels, the following graph reflects the dramatic growth in the total number of cases per attorney over this period. As would be expected, attorney caseload drops when additional staff is added (for example, in 1999, 2001 and 2002). There have been, however, no additional attorneys added since 2002 and the caseload has risen to the current unsustainable level. While the addition of paralegal staff is helpful to the attorneys in dealing with the growing caseload, the addition of paralegals has not been sufficient to significantly affect this measure.

Department of Social and Health Services

**DP Code/Title: M2-NI OAH Caseload Increase**

**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Recommendation Summary Text:**

This request would transfer funding for 1.2 Office Administrative Hearing (OAH) positions from Employment Security Department (ESD) caseload to Department of Social and Health Services (DSHS) caseload. These positions will be assigned to handle significant increases in DSHS licensing caseload.

**Fiscal Detail:**

**Operating Expenditures**

	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	35,000	73,000	108,000
001-2 General Fund - Basic Account-Federal	2,000	3,000	5,000
001-A General Fund - Basic Account-DSHS Fam Support/Chi	19,000	38,000	57,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	6,000	11,000	17,000
<b>Total Cost</b>	<b>62,000</b>	<b>125,000</b>	<b>187,000</b>

**Staffing**

**Package Description:**

The OAH is an independent state agency that conducts impartial administrative hearings for other government agencies. The agency conducts hearings for DSHS in four main categories: public assistance; child support; licensing; and juvenile rehabilitation.

Three of the 17 types of cases handled by OAH within the licensing category include Adult Protective Services (APS), Child Protective Services (CPS), and Daycare Licensing. These three case types generally require an average of 20 hours per case of Administrative Law Judge (ALJ) time to conduct the hearing and prehearing conferences, and to research and write decisions. Each hearing involves large numbers of witnesses and documents and can last several hours to several days.

Overall, the number of licensing cases increased 42.5 percent from 451 in Fiscal Year 2004 to 643 in Fiscal Year 2005. This increase is largely due to a 64.4 percent increase in APS, CPS, and Daycare Licensing cases as displayed in the attached file named M2-NI OAH Caseload Increase.

The increase in the number of licensing cases has reduced the ability of OAH to meet its cooperative agreement with DSHS, and expectations of DSHS appellants, to hold hearings promptly and issue sound decisions in a timely manner. Based on recent trends, OAH estimates that the number of APS and CPS cases will continue to increase by three cases per month over Fiscal Year 2005 amounts and 2 cases per month in Daycare Licensing during the 2005-07 Biennium. In order to maintain the timeliness of decisions issued at the 2003-05 Biennium rates, an additional 1.2 Administrative Law Judges will need to be added to DSHS licensing caseload. This will bring the number of OAH positions assigned to DSHS cases to 59.8.

Since OAH already has adequate appropriation authority, only a shift of revolving fund allocations between ESD and DSHS is necessary. Approximately half of the revenue received from DSHS into the Administrative Hearings Revolving Account (fund 484) is derived from GF-State funding.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

This request supports both of OAH's goals to: 1) conduct high quality hearings and issue sound decisions, and 2) provide

Department of Social and Health Services

**DP Code/Title: M2-NI OAH Caseload Increase**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

timely hearings and decisions, by correctly aligning agency resources to meet workload demand.

The request also supports the Priority of Government statewide goal to: Improve the ability of State Government to achieve its results efficiently and effectively.

**Performance Measure Detail**

**Agency Level**

Activity: **N073 Payment to Other Agencies**  
No measures linked to package

**Incremental Changes**

<u>FY 1</u>	<u>FY 2</u>
0.00	0.00

**Reason for change:**

The number of administrative hearings conducted for APS, CPS and Daycare Licensing cases increased 10 percent from Fiscal Year 2002 to Fiscal Year 2003, 25 percent from Fiscal Year 2003 to Fiscal Year 2004, and 64 percent from Fiscal Year 2004 to Fiscal Year 2005. This increasing trend is likely to continue. Shifting 1.2 ALJ staff positions from working on ESD cases to DSHS cases is necessary to balance resources and maintain timeliness standards across each type of caseload.

**Impact on clients and services:**

This change will help OAH to meet its cooperative agreement with DSHS, and expectations of DSHS appellants, by holding hearings promptly and issuing sound decisions in a timely manner.

**Impact on other state programs:**

The agency will also continue to meet timeliness and quality standards for ESD cases.

**Relationship to capital budget:**

Not applicable

**Required changes to existing RCW, WAC, contract, or plan:**

Not applicable

**Alternatives explored by agency:**

Over the past several years, the agency has implemented technology upgrades and process improvements in order to increase the efficiency and effectiveness of personnel who process administrative hearing cases. These efficiencies, however, are not adequate to keep pace with the increase in caseload. The agency also tried to handle increased caseload without additional staffing. Unfortunately, without additional staff and because of the time necessary to process DSHS cases that are often complex and highly emotional, there was a steady increase in the number of days that DSHS appellants had to wait before their case was heard.

**Budget impacts in future biennia:**

The additional resources added to DSHS cases will carry forward to future biennia as long as caseload remains at or above current levels and while the ESD caseload remains at or below current levels. Should caseloads shift in the future, further changes in resource allocations will be necessary.

**Distinction between one-time and ongoing costs:**

None

Department of Social and Health Services

**DP Code/Title: M2-NI OAH Caseload Increase**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Effects of non-funding:**

Not funding this request will result in long hearing delays and untimely decisions for DSHS customers, which often include some of the most vulnerable of Washington State citizens.

**Expenditure Calculations and Assumptions:**

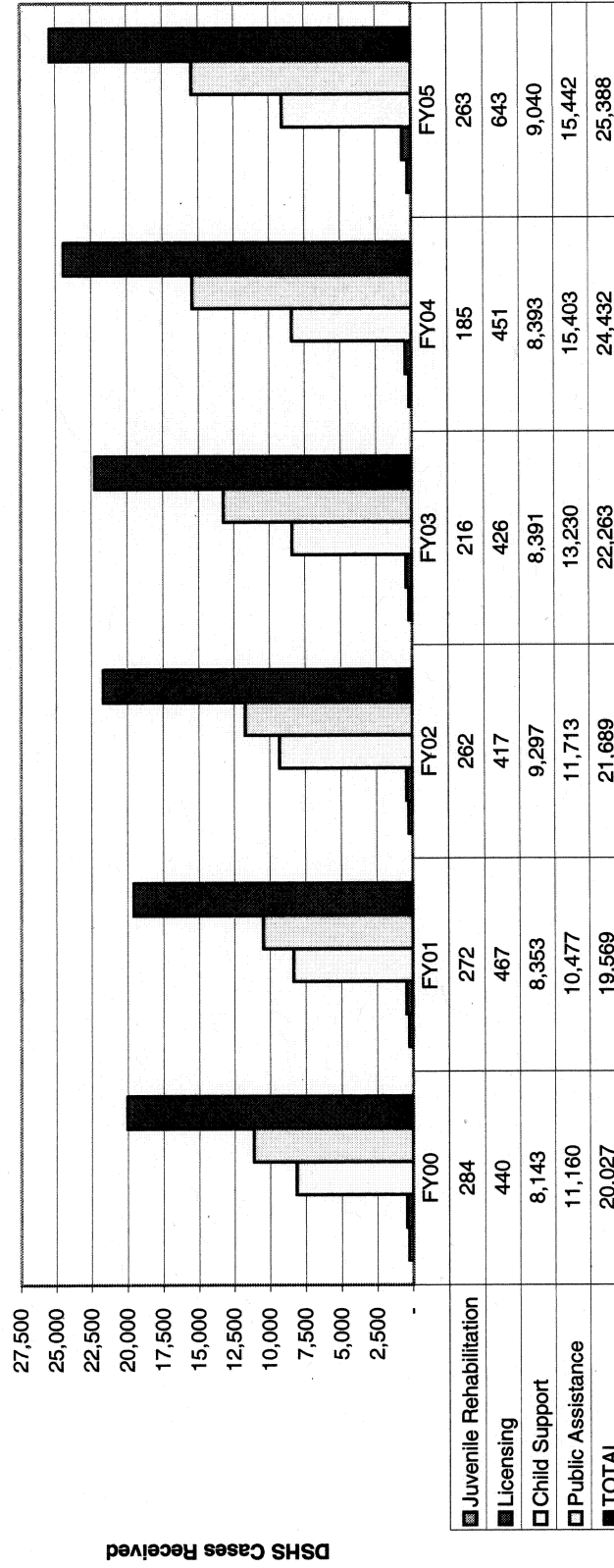
Salary and benefit calculations are for 1.2 Administrative Law Judge positions beginning January 1, 2006. The need for these additional resources assumes 96 additional licensing cases per year at 20 hours per case (an increase of 1,920 hours per year). Assuming 1,680 hours of available time for an ALJ, this is equivalent to about 1.2 positions per year.

For DSHS cases received by type see attachment Payments to Other Agencies M2-NI OAH Caseload Increase.doc

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
E Goods And Services	62,000	125,000	187,000
<b>DSHS Source Code Detail</b>			
<b>Overall Funding</b>	<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
Fund 001-1, General Fund - Basic Account-State			
<u>Sources</u> <u>Title</u>			
0011 General Fund State	35,000	73,000	108,000
<i>Total for Fund 001-1</i>	<b>35,000</b>	<b>73,000</b>	<b>108,000</b>
Fund 001-2, General Fund - Basic Account-Federal			
<u>Sources</u> <u>Title</u>			
E61L Food Stamp Program (50%)	2,000	3,000	5,000
<i>Total for Fund 001-2</i>	<b>2,000</b>	<b>3,000</b>	<b>5,000</b>
Fund 001-A, General Fund - Basic Account-DSHS Fam Support/Chi			
<u>Sources</u> <u>Title</u>			
563I Title IV-D Child Support Enforcement (A) (66%)	18,000	36,000	54,000
658L Title IV-E-Foster Care (50%)	1,000	2,000	3,000
<i>Total for Fund 001-A</i>	<b>19,000</b>	<b>38,000</b>	<b>57,000</b>
Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa			
<u>Sources</u> <u>Title</u>			
19UL Title XIX Admin (50%)	6,000	11,000	17,000
<i>Total for Fund 001-C</i>	<b>6,000</b>	<b>11,000</b>	<b>17,000</b>
<b>Total Overall Funding</b>	<b>62,000</b>	<b>125,000</b>	<b>187,000</b>

# 2006 Supplemental M2-NI OAH Caseload Increase

## DSHS Cases Received by Type



Department of Social and Health Services

DP Code/Title: M2-VA Fund Source Adjustments

Program Level - 145 Payment to Other Agencies

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

Recommendation Summary Text:

This is a request for fund source adjustments in multiple Department of Social and Health Services (DSHS) programs.

Fiscal Detail:

Operating Expenditures

	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
<b>Overall Funding</b>			
001-1 General Fund - Basic Account-State	165,000	165,000	330,000
001-C General Fund - Basic Account-DSHS Medicaid Federa	(165,000)	(165,000)	(330,000)
<b>Total Cost</b>	<b>0</b>	<b>0</b>	<b>0</b>

Staffing

Package Description:

Juvenile Rehabilitation Administration (JRA)

The enacted 2005-07 Biennium Budget funded Cost of Living Adjustment and benefit increases with lidded federal Juvenile Accountability Incentive Block Grant (JAIBG) funds. There are no JAIBG funds available to support staff salary and benefit increases. To fund staff salary and benefit increases. JRA will require state funds to replace the lidded federal funds assumed in the 2005-07 enacted budget.

Mental Health Division (MHD)

MHD headquarters administrative expenditures are directly tied to expenditures made for community mental health programs per required federal cost allocation methodologies. When there is a shift in the fund sources used for these programs, the funding is cost allocated accordingly for headquarters expenses. In the 2005 Legislative Session there was a major shift in the community Regional Support Network (RSN) funding from Medicaid to state only. MHD headquarters budget should have been adjusted to reflect this fund source change. The effect of this change to the headquarters budget is a necessary fund source switch from federal to state of \$429k for Fiscal Year 2006 and \$416k for Fiscal Year 2007.

Division of Developmental Disabilities (DDD)

DDD has four fund source correction items. First, from the 2005-07 budget, step 1V (Administrative Consolidation) reduced Category 1000 by \$80,000 in GF-State, and increased Category 9000 by \$80,000 in GF-State. A correction which adds \$80,000 to Category 1000 and decreases Category 9000 by \$80,000 will result in the appropriate distribution. Secondly, from the 2005-07 budget, step LPS (Licensed Professional Services) in the amount of \$100,000 GF-State was mistakenly appropriated to Category 1000 instead of Category 2000. A correction which adds \$100,000 to Category 1000 and decreases Category 1000 by \$100,000 will result in the appropriate distribution. Thirdly, from the 2005-07 budget, local funds were mistakenly appropriated in step 91 (Worker's Compensation Changes) to the Residential Habilitation Centers. The local funds appropriated in the amount of \$382,000 each year should be 52 percent GF-State and 48 percent Federal Title 19. Finally, Category 1000 has historically been under funded in GF-State and over funded in federal. A correction, which adds GF-State - \$2,751,000 in Fiscal Year 2006 and \$2,874,000 in Fiscal Year 2006 - to Category 1000, and decreases federal commensurately in Category 1000 will result in the appropriate distribution.

Long Term Care (LTC)

LTC has three fund source correction items. The regional staff and the middle management reduction steps assumed a GF-State reduction in Residential Care Services (RCS). This step requests the restoration of GF-State and a reduction in General Fund Local, as there are no GF-State funds for RCS. Finally, LTC requested and received funding to correct the failure to increase funding proportionate to two years of increases to home care agency rates, however, the funds provided were General Fund-Federal and the need is GF-State.

Department of Social and Health Services

**DP Code/Title: M2-VA Fund Source Adjustments**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**Program 145**

Program 145 is appropriated funding for Assistant Attorney General (AAG) services for all administrations in the department, including the Special Commitment Center (SCC). The funding to support SCC legal services is 100 percent GF-State, and the remainder of the funds to support legal services is 67 percent state and 33 percent federal. This is a request to switch federal funds for GF-State for AAG services provided to the SCC.

**Narrative Justification and Impact Statement**

***How contributes to strategic plan:***

This decision package supports DSHS' goal of improving the ability of state government to achieve its results efficiently and effectively.

***Performance Measure Detail***

**Agency Level**

**Activity: N073 Payment to Other Agencies**

No measures linked to package

**Incremental Changes**

**FY 1**

**FY 2**

0.00

0.00

***Reason for change:***

**JRA**

The enacted 2005-07 budget assumes JRA can fund salary and benefit increases with JAIBG funds, however, JAIBG is a lidded grant and there are no funds available. This fund source adjustment would replace the lidded funds with GF-State.

**MHD**

There was a major shift in the community RSN funding from Medicaid to state only during the 2005 Legislative Session. The headquarters budget should have been adjusted for the shift in RSN funding, but was overlooked. This request will decrease the federal and increase GF-State in headquarters consistent with current cost allocation.

**DDD**

Appropriations at the category level were erroneous. This adjustment would align the appropriations with the correct category.

**LTC**

The enacted 2005-07 Biennium Budget included GF-State reductions in RCS where there was no GF-State to reduce. This adjustment will restore the GF-State and reduce General Fund-Local. In addition, LTC received federal funds to increase home care agency rates, but the funds needed were GF-State.

**Program 145**

Funding for AAG services provided to the SCC must be 100 percent GF-State. This request switches federal for state to fully fund the SCC AAG needs.

***Impact on clients and services:***

Not applicable

***Impact on other state programs:***

None

Department of Social and Health Services

**DP Code/Title: M2-VA Fund Source Adjustments**  
**Program Level - 145 Payment to Other Agencies**

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Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

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***Relationship to capital budget:***

Not applicable

***Required changes to existing RCW, WAC, contract, or plan:***

Not applicable

***Alternatives explored by agency:***

None

***Budget impacts in future biennia:***

These fund source changes will continue into future biennia.

***Distinction between one-time and ongoing costs:***

All costs are ongoing.

***Effects of non-funding:***

JRA would have to reduce and divert state funding from other areas of the budget to cover the salary and benefit increases that cannot be funded with lidded grants.

MHD would overspend GF-State and be unable to earn the federal assumed in the headquarters budget. MHD would likely reduce and divert state funds from other areas of the budget to cover the shortfall, causing over expenditures elsewhere in the budget.

Since DDD is appropriated at the category level, non-funding of this request would lead to overstating and understating both the funded levels and expenditure levels by category.

LTC would have to divert state funds from other areas of the budget to fund the increases in home care agency rates. The GF-State reduction in RCS would have to be covered with a GF-State reduction in other areas of LTC's budget because RCS is not funded with GF-State.

Program 145 would have insufficient GF-State funds to support SCC AAG costs, as SCC costs are 100 percent GF-State.

***Expenditure Calculations and Assumptions:***

See attachments JRA, MH, DDD, LTC M2-VA Fund Source Adjustments.xls

<u>Object Detail</u>	<u>FY 1</u>	<u>FY 2</u>	<u>Total</u>
Overall Funding			
Program Totals			



Department of Social and Health Services

**DP Code/Title: M2-VA Fund Source Adjustments**  
**Program Level - 145 Payment to Other Agencies**

Budget Period: 2005-07 Version: N2 145 2006 Sup Agency Request

**DSHS Source Code Detail**

<b>Overall Funding</b>		<b><u>FY 1</u></b>	<b><u>FY 2</u></b>	<b><u>Total</u></b>
<b>Fund 001-1, General Fund - Basic Account-State</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
0011	General Fund State	165,000	165,000	330,000
<b><i>Total for Fund 001-1</i></b>		<b>165,000</b>	<b>165,000</b>	<b>330,000</b>
<b>Fund 001-C, General Fund - Basic Account-DSHS Medicaid Federa</b>				
<b><u>Sources</u></b>	<b><u>Title</u></b>			
19UL	Title XIX Admin (50%)	(165,000)	(165,000)	(330,000)
<b><i>Total for Fund 001-C</i></b>		<b>(165,000)</b>	<b>(165,000)</b>	<b>(330,000)</b>
<b>Total Overall Funding</b>		<b>0</b>	<b>0</b>	<b>0</b>

# 2006 Supplemental M2-VA Fund Source Adjustments

## 2006 Supplemental M2-VA Juvenile Accountability Incentive Account Fund 283

Active Grants	Authorized	Disbursed	Balance	% Reduced
2001JBBX0053	4,643,500	4,643,500	0	
2002JBBX0040	3,866,400	3,870,346	(3,946)	16.74%
2003JBBX0028	2,979,100	1,853,010	1,126,090	22.95%
2004JBFX0052	984,800	2,510	982,290	66.94%
2005JBFX0037	894,900	0	894,900	9.13%
2006 Estimate	805,410		805,410	10.00% Estimate
			<u>3,804,744</u>	

### Authorized Spending 05-07

FY 2006	2,809,000
FY 2007	2,812,000
	5,621,000

Difference	1,816,256
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	FY 2006	FY 2007
CFL	3,470	3,469
9D	20	21
9F	(714)	(714)
HGS	3	3
ML	2,779	2,779
3Y	(7)	(17)
8T	15	26
8V	10	4
8Z	30	31
HGS	(3)	(3)
HSU	(15)	(8)
Net PL	30	33
Total	2,809	2,812
2005-07 Net Increase	53	57

2006 Supplemental  
M2-VA Fund Source Adjustment

MHD Headquarters Admin. Redistribution calculation  
9/20/2005

Cost Allocation Plan		Expenditures		
Element 010 S.O.	Element 020-S/F	Element 010 S.O.	Element 020-S/F	total
Jul-05	10.717434%	89,282,566%	2,418,041.25	28,474,304.84
Aug-05	10.717434%	89,282,566%	2,418,041.25	28,474,304.84
Sep-05	26.394145%	73,605,655%	7,888,796.95	21,999,638.45
variance A-S	15.676711%			29,888,435.40

September percentages are based on July 2005 actual expenditures

SFY06 Allotments	3,620,000.00	3,071,000.00	6,691,000.00
Other sources to be pulled from base			
FBG	420,000.00	100% federal	
EQRO	800,000.00	receives 75% federal match	
total	1,220,000.00		
Total allotment less other sources pulled from base		5,471,000.00	
State Only		Medicaid Admin	Medicaid State match
aug. %	586,350.81	4,884,649.19	2,442,324.59
Sep %	1,444,023.67	4,026,976.33	2,013,488.16
Based on Aug. %	3,028,675.41	2,442,324.59	
Based on Sept %	3,457,511.84	2,013,488.16	
Variance	428,636.43	(428,636.43)	SFY06 Fund Source Switch

SFY07 Allotments	3,560,000.00	2,973,000.00	6,523,000.00
Other sources to be pulled from base			
FBG	420,000.00	100% federal	
EQRO	800,000.00	receives 75% federal match	
total	1,220,000.00		
Total allotment less other sources pulled from base		5,303,000.00	
State Only		Medicaid Admin	Medicaid State match
aug. %	568,345.53	4,734,654.47	2,367,327.24
Sep %	1,399,681.51	3,903,318.49	1,951,659.25
Based on Aug. %	2,935,672.76	2,367,327.24	
Based on Sept %	3,351,340.75	1,951,659.25	
Variance	415,667.99	(415,667.99)	SFY07 Fund Source Switch

05-07 Fund Source Switch		
State		Federal
SFY06	429,000	(429,000)
SFY07	416,000	(416,000)
Total	845,000	(845,000)

Narrative:

The Mental Health Division's headquarters administrative expenditures are directly tied to expenditures made for community mental health programs per required federal cost allocation methodologies. When there is a shift in the fund sources used for these programs, the funding is cost allocated accordingly for headquarters expenses. In the 2005 Legislative session there was a major shift in the community RSN funding from Medicaid to state only. MHD headquarters budget should have been adjusted to reflect this fund source change, but was overlooked. The effect of this change to the headquarters budget is a necessary fund source switch from Federal to state of \$429k for FY2006 and \$416k for FY2007.

2006 Supplemental  
M2-VA Fund Source Adjustment

M2-VA (Developmental Disabilities - Fund Source Adjustments)

Issue #1 - Correcting Step 1V - Administrative Consolidation from the 2005-07 Biennial Budget

- \$80,000 in GF-S should have been appropriated annually to Category 1000, instead of Category 9000

	FY2006	FY2007
Biennial Budget		
Category 1000 (H57)	(80,000)	(80,000)
Category 9000 (H10)	80,000	80,000
Proposed Correction		
Category 1000 (H57)	80,000	80,000
Category 9000 (H10)	(80,000)	(80,000)

Issue #2 - Correcting Step LP6 - Licensed Professional Services from the 2005-07 Biennial Budget

- \$100,000 in GF-S should have been appropriated in FY06 to Category 2000, instead of Category 1000

	FY2006	FY2007
Biennial Budget		
Category 1000 (H58)	100,000	
Category 2000 (H30)		
Proposed Correction		
Category 1000 (H58)	(100,000)	
Category 2000 (H30)	100,000	

Issue #3 - Correcting Step B1 - Worker's Comp Changes from the 2005-07 Biennial Budget

- \$382,000 should have been appropriated annually as GF-S and Federal, instead of Local Funds

	FY2006	FY2007
Biennial Budget		
Local Funds	382,000	382,000
Proposed Correction		
Local Funds	(382,000)	(382,000)
GF-S	190,000	190,000
Federal	190,000	190,000

Issue #4 - Correcting the fund split for Category 1000

- The GF-S appropriation for Category 1000 has not matched expenditures over the past three biennia

Background Data

	2000	2001	2002	2003	2004	2005	2006	2007
Category 1000	337,945,000	378,915,000	429,081,000	456,082,000	477,556,000	497,833,000	546,423,000	570,781,000
001-1	186,473,000	206,593,000	233,705,000	250,654,000	250,653,000	272,837,000	298,027,000	311,869,000
% GF-S	54.88%	54.26%	54.47%	54.91%	52.48%	54.83%	54.72%	54.64%
Category 1000	339,914,216	366,540,212	423,738,560	444,645,011	474,215,494	511,951,640		
001-1	183,782,233	213,951,280	235,865,676	243,052,718	252,697,434	284,032,049		
% GF-S	54.20%	55.32%	55.66%	54.66%	53.29%	55.47%		

\*Expenditures include cash and accruals

Calculations

	2006	2007
Appropriation		
Average annual total funds	429,604,000	430,017,889
Average annual GF-S	233,149,167	235,538,565
% GF-S	54.27%	54.77%
Annual Impact % GF-S	-0.50%	
Projected GF-S (%)	55.23%	55.14%
Projected GF-S (\$)	301,777,919	314,742,597
Projected GF-S Shortfall	(2,751,000)	(2,874,000)

## 2006 Supplemental M2-VA Fund Source Adjustment

### Original Step

J73 Mid Mgt Reduction	GF-State	GF-Federal	GF-Local	Total
J73 - mid mgt FY06	(55,000)	(28,000)	-	(83,000)
J73 - mid mgt FY07	(154,000)	(83,000)	-	(237,000)
J73 Region Reduction	GF-State	GF-Federal	GF-Local	Total
J73 - Region Reduction FY06	(177,000)	(214,000)	-	(391,000)
J73 - Region Reduction FY07	(177,000)	(214,000)	-	(391,000)

<b>Correction - J73 Mid Mgt Reduction</b>	GF-State	GF-Federal	GF-Local	Total
J73 - mid mgt FY06	55,000	-	(55,000)	-
J73 - mid mgt FY07	154,000	-	(154,000)	-
<b>Correction - Region Reduction</b>	GF-State	GF-Federal	GF-Local	Total
J73 - Region Reduction FY06	177,000	-	(177,000)	-
J73 - Region Reduction FY07	177,000	-	(177,000)	-
<b>Total Correction</b>	<b>GF-State</b>	<b>GF-Federal</b>	<b>GF-Local</b>	<b>Total</b>
<b>J73 FY06</b>	<b>232,000</b>	<b>-</b>	<b>(232,000)</b>	<b>-</b>
<b>J73 FY07</b>	<b>331,000</b>	<b>-</b>	<b>(331,000)</b>	<b>-</b>

### Original Step

J77 Respite Compensation	GF-State	GF-Federal	Total
J77 - Respite Compensation FY06	-	176,000	176,000
J77 - Respite Compensation FY07	-	176,000	176,000

<b>Correction</b>			
<b>J77 Respite Compensation</b>	<b>GF-State</b>	<b>GF-Federal</b>	<b>Total</b>
<b>J77 - Respite Compensation FY06</b>	<b>176,000</b>	<b>(176,000)</b>	<b>-</b>
<b>J77 - Respite Compensation FY07</b>	<b>176,000</b>	<b>(176,000)</b>	<b>-</b>